

May 30, 2023

Board of Directors, Ajinomoto Co., Inc.

Result of the Eighth Evaluation of the Effectiveness of the Board of Directors

[The Evaluation of the Effectiveness of the Board of Directors in Ajinomoto Co.]

The Ajinomoto Group has grown through initiatives to co-create social and economic value through its businesses. We refer to these initiatives as ASV (Ajinomoto Group Creating Shared Value) and, in order to achieve sustainable growth through the creation of unique value through ASV's initiatives, will continue to implement various initiatives, to aim to become a highly effective Board of Directors, with the definition of the "Effectiveness" of our Board of Directors as described below.

The "Effectiveness" of our Board of Directors:

How appropriately the Board of Directors fulfill its objective of properly supervising execution by examining the appropriateness of the execution process and results, as well as encouraging execution risk-taking by discussing and examining important management matters that greatly influence corporate value and showing a major direction.

As part of our efforts to improve the Effectiveness of the Board of Directors, in FY2015 we began to conduct a self-evaluation survey by all Directors and corporate auditors and to verify the results at the Board of Directors. Our Board of Directors continues to review and refine its evaluation process annually to enhance its Effectiveness. In FY2021, in addition to a survey conducted by all Directors, we implemented the interview five Directors in total, including the Chairman of the Board of Directors and the President and Chief Executive Officer.

In FY2022, we further advanced these initiatives by expanding the number of interviews to seven Directors (the Chairman of the Board of Directors, all other Independent Outside Directors, and the President and Chief Executive Officer). We identified issues that need to be improved by the Board of Directors, which were difficult to be found by the survey, and made a path for resolution through the deliberation on countermeasures to address them at the Board of Directors. The results are presented below.



Details of Evaluation Process in FY2022

Survey	Subjects: All Directors Method: Named Item assessed (Summary): (a) Seven Important Management Matters (*) (b) Operation of the Board of Directors (c) Effectiveness of performing responsibilities (d) Three Statutory Committees and other important committees (e) Regarding the issues pointed out last year
Interview	Interviewer: Board Secretariat Persons Interviewed: Chairman of the Board of Directors, all other Independent Outside Directors, and the President and CEO (7 persons in total) (<i>Expansion of persons interviewed</i>) Interview items: Based on the results of the survey and comments, the Chairman and the Board Secretariat selected items that were not highly evaluated by Directors, items that were dispersed in survey, and items that were pointed out as issues of concern.
Review of Results	The Board of Directors itself examined the results of survey and interview, and discussed measures to address the items identified.

*The following seven themes which are defined by the Company as the matters that the Board of Directors deliberates and indicate a major direction to the executive side:

- (1) corporate value; (2) capital policy, balance sheet optimization, shareholder returns; (3) decision making process, governance system structure design, development, policy, operation; (4) management plan; (5) restructuring of business portfolio including exits; (6) large-scale M&A; and (7) large-scale investments

Results of Board Evaluation of Effectiveness

(1) General Overview

We evaluated that it appropriately demonstrates its “Effectiveness” that we advocate. The Board of Directors encourages risk-taking by presenting a major direction to the executive side based on extensive deliberations on seven important management matters, and also properly supervises the executive side by examining the appropriateness of the execution process and results at the executive side. However, there remains room for improvement, including further enhancement of deliberations, and we will continue to improve the “Effectiveness.”



(2) Improvements based on the Results of the Previous Evaluation

Based on the issues pointed out in the evaluation for FY2021, we implemented further initiatives to improve the Effectiveness as follows in FY2022. In the evaluation of Effectiveness this year, the effects of the following initiatives were verified, and it was confirmed that they contributed to enhance deliberations and to strengthen supervisory functions at the Board of Directors. However, we also confirmed that there remains room for further improvement in some items.

Initiatives to Improve Effectiveness in FY2022
<p>1) Further Enhancement of Deliberations on Seven Important Management Matters</p> <p>Among the seven important management matters, we especially deliberated the following themes, and showed major directions to the executive side. In particular, with regard to the “Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap,” in order to appropriately support the transformation of the Company by the new organizational structure of the executive side born in 2022, we held numerous discussions among the Board of Directors and with the executive side, and formulated a path for our transformation toward FY2030.</p> <ul style="list-style-type: none"> • Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap • Capital Strategy including shareholder structure in 2030 • Human Resources Strategy for realization of human assets in 2030 • Initiatives for the transformation of Ajinomoto Group’s corporate culture
<p>2) Strengthen discussions and formulate policies on the effectiveness of IT governance and information system structure</p> <p>We deliberated on the Investment Strategy for Digital Transformation (DX) in January 2023, and we also deliberated on the Ajinomoto Group's policy to strengthen information security measures and to promote data utilization in April 2023. In the April 2023 deliberations, we discussions centered on information security measures and the promotion of data utilization. However, we will continue to have more discussions on IT governance as a whole, based on the opinion in the deliberations to suggest the necessity.</p>
<p>3) Improving the operation of the Board of Directors (scheduling Board items evenly, improving the quality of materials, etc.)</p> <p>We made efforts to improve the quality and uniformity of Board of Directors' materials by issuing the “Manual for Preparing Materials for Board of Directors.”</p>



In addition, we made initiatives for operational innovations, such as leveling the annual schedule and flexibly setting the time for meetings of Board of Directors. As there remains room for further improvement in these areas, we will continue to make improvements.

4) Enhancing the Nomination Committee’s operating structure and improving the report to the Board of Directors

We enhanced the Nomination Committee’s governance and operational structure through concurrently appointing the chairman of the Audit Committee as a member of the Nomination Committee, and participation in the Nomination Committee Secretariat of the Legal and Compliance Department. In addition, we reviewed the content of reports to the Board of Directors, and as a result, the evaluation results by Directors other than members of the Nomination Committee have improved.

5) Further enhancement of training opportunities for Internal Directors

While the evaluation results showed that the issues specific to Internal Directors have improved, there is an opinion that the Board of Directors as a whole should pursue further improvement of the literacy as the Board of Directors, and the Board of Directors as a whole will continue to improve the literacy as the Board of Directors.

6) Further enhancement of training programs for Executive Officers

The Nomination Committee deliberated on the development of the Executive Officers, centered on the candidates for the next, and the after next CEO. We will further enhance measures to develop the Executive Officers, including the formulation of policies for the development of each candidate.

(3) Response to Issues

As a result of discussions on the evaluation of the Effectiveness of the Board of Directors, we have decided to promote initiatives to improve the Effectiveness of the Board of Directors as described below.

Efforts to Improve Effectiveness in FY2023

1) Further encouragement of appropriate risk-taking

One of the objectives of our Board of Directors is to discuss important management issues that greatly affect corporate value and encourage risk-taking on the part of executives by indicating major directions. The Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap (“2030RM”), which was formulated in FY2022 based on in-depth discussions with the executive

side, is truly a reflection of the promotion of appropriate risk-taking. In FY2023, we will enter the implementation stage of this 2030RM, and we will conduct extensive discussions to encourage appropriate risk-taking at the implementation stage.

2) Efforts to ensure that the opinions of stakeholders are more reflected

In order to gain the trust of our diverse stakeholders, we have been making efforts to set up agenda items related to major stakeholders at the meetings of Board of Directors and stipulated a rule to include these perspectives in materials for the meetings in the “Manuals for Preparing Materials for Board of Directors.” We will continue to devise ways to set agenda items and enhance materials in order to further reflect the perspectives of our stakeholders in our deliberations.

3) Enhance deliberations on M&A and IT governance

The Board of Directors will deliberate at an early stage “Large-scale investments (in particular M&As)” and “the effectiveness of IT governance and information system structure,” which have been pointed out to have further deliberations. (The latter was deliberated in April 2023, but further deliberations are scheduled to be conducted in this fiscal year regarding the entire IT governance.)

4) Further Enhancement of Measures to Improve Literacy of Directors

We will increase the number of opportunities to acquire the knowledge needed to respond flexibly to all changes surrounding the Company, such as changes in the external environment and changes in the interest of investors, including ESG, and will further ensure the enhancement of corporate value through our ASV management.

5) Further use of the Outside Director Communication Committee and the Outside Director Study Sessions

The Outside Director Communication Committee and the Outside Directors Study Sessions, chaired by the Lead Independent Outside Directors, were very useful systems exchanging information among Independent Outside Directors and promoting understanding of our business. We will rearrange these systems. The Outside Director Communication Committee will be reorganized as a committee for not only exchanging information but also discussing matters that should be formed among the Independent Outside Directors, and the Outside Directors Study Sessions will be used as a forum for promoting understanding of our business, etc.

We will continue to enhance the Effectiveness of the Board of Directors through these initiatives, and further strengthen corporate governance.

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